

SENATE BILL 255

By Walley

AN ACT to amend Tennessee Code Annotated, Title 68,  
Chapter 11, relative to certificates of need.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 11, Part 16, is amended by adding the following as a new section:

(a) Notwithstanding this part, a certificate of need is not required for the establishment of a hospital licensed under this title if:

(1) The hospital was previously licensed under this title or another hospital was previously licensed under this title at the proposed location;

(2) The hospital is located in a county:

(A) Designated by the department of economic and community development as a tier 2, tier 3, or tier 4 enhancement county pursuant to § 67-4-2109; or

(B) With a population less than forty-nine thousand (49,000), according to the 2010 federal census or any subsequent census;

(3) The last date of operations at the hospital, the hospital site service area, or proposed hospital site service area was no more than fifteen (15) years prior to the date on which the party seeking to establish the hospital submits information to the department pursuant to subsection (b); and

(4) The party seeking to establish the hospital applies for a certificate of need from the agency within twelve (12) months of the date on which the party submits information to the department pursuant to subsection (b).

(b)

(1) Notwithstanding this part, the department may renew a license for a hospital meeting the criteria in subdivisions (a)(1)-(3) upon application by the party seeking to establish the hospital and finding that the hospital will operate in a manner that is substantially similar to the manner authorized under the previous hospital's license at the time of the previous hospital's closure.

(2) The department shall review and make a determination on an application submitted pursuant to subdivision (b)(1) and notify the applicant in writing of the determination within sixty (60) days of the date the applicant submits a completed application to the department. If the department determination is to deny the application, then the department must also provide to the applicant a written explanation detailing the reasons for the denial.

SECTION 2. The health services and development agency and department of health are each authorized to promulgate rules to effectuate the purposes of this act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.